

Department of Social and Health Services

DP Code/Title: M2-8U Utility Rate Adjustments

Program Level - 030 Mental Health

Budget Period: 2003-05 Version: C2 030 2003-05 2004 Sup-Agency Req

Recommendation Summary Text:

This step requests funding to reflect the increases in utility costs from known utility rate increases for electric, natural gas, water, sewage, and other services. Statewide result number 5.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	120,000	120,000	240,000
001-7 General Fund - Basic Account-Private/Local	19,000	19,000	38,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	22,000	22,000	44,000
Total Cost	161,000	161,000	322,000

Staffing

Package Description:

Funding is requested to cover the anticipated over expenditure in electrical costs at the state owned psychiatric hospitals. While no further electrical rate increase is expected, actual expenditures during the 2001-03 Biennium exceeded amounts funded in both the 2001-03 initial budget and the 2003 Supplemental.

Utility costs are the amounts spent directly on heating, cooling, and lighting; state owned and/or leased facilities not obtained through the Department of General Administration, where energy costs are not included as part of the monthly lease payments. Utility costs also include the amounts spent for water, sewer, and garbage.

Narrative Justification and Impact Statement

How contributes to strategic plan:

Contributes to the agency balanced scorecard goal of: 1) Clients are safe from abuse or neglect; 2) Clients maintain or improve their health; and 3) DSHS accounts for its use of public dollars.

Performance Measure Detail

Goal: 01Z DSHS Accounts for Its Use of Public Dollars

No measures submitted for package

Incremental Changes

FY 1

FY 2

Reason for change:

This request is in response to known utility rate increases for electrical, natural gas, water, sewage, and other services.

Impact on clients and services:

This funding will allow the department to maintain the current level of service. Utility costs are an integral component of the cost of providing basic living services to our institutional staff and clients.

Impact on other state programs:

Other department programs with leases are impacted but those costs are usually covered by lease agreements.

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Relationship to capital budget:

Not applicable

Required changes to existing RCW, WAC, contract, or plan:

Not applicable

Alternatives explored by agency:

No alternatives were explored, as these costs will be paid as a fixed cost of doing business. Programmatic areas will need to be reduced to meet these business expenses.

Budget impacts in future biennia:

The cost carries forward into the 2005-07 Biennium at the second year level (Fiscal Year 2005).

Distinction between one-time and ongoing costs:

These are ongoing costs.

Effects of non-funding:

The agency will need to pay the incurred utility costs regardless of funding. Non-funding will result in the further erosion of the ability of the agency to serve clients and maintain fiscal integrity.

Expenditure Calculations and Assumptions:

See attachment - AW M2-8U Utility Rate Adjustments.xls

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	161,000	161,000	322,000

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DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	120,000	120,000	240,000
<i>Total for Fund 001-1</i>		120,000	120,000	240,000
Fund 001-7, General Fund - Basic Account-Private/Local				
<u>Sources</u>	<u>Title</u>			
5417	Contributions & Grants	19,000	19,000	38,000
<i>Total for Fund 001-7</i>		19,000	19,000	38,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	22,000	22,000	44,000
<i>Total for Fund 001-C</i>		22,000	22,000	44,000
Total Overall Funding		161,000	161,000	322,000